Pam: 338.585.3 : (*430) SMI1

ernment of the Yukon Territory

F-2

OUR FILE
YOUR FILE

November 13, 1974.

Equalization of the Cost of Food

Equalization of the Cost of Food

As per our conversations this morning, on the subject of attempting to put together a formula for the application of the United States food stamp system in such a manner as to equate the cost of basic food stuffs throughout the Territory to the costs in Whitehorse, the following are my ideas as to how this thing conceivably might work at the mechanical level.

The Yukon would be divided off into zones for purposes of an annual review of food costs, at which time areas would be designated as plus or minus Whitehorse in relation to these costs. Let us assume that Whitehorse equals 100 as a constant and that the Dawson area is 30% higher in these basic commodities, so therefore, it would be 130. Any individual, who was in the Dawson area, would be able to purchase $130 worth of food stamps. At this time, the stamps would have the equivalent of money and the bank would have $100 and the Territorial Government would have now our account to be debited for the extra $30. The individual, who then would purchase the food from any outfit or any store in the Dawson area that was licensed to redeem these stamps, would simply use them as money in the store; the store operator would bank these stamps in the same manner as he banked money and receive credit for them in the bank in the same manner as he would receive credit for a dollar bill.

J.Smith

We would have to have a fairly liberal food basket list of items because in some of the smaller communities, you don't very often find a complete inventory of groceries available every day of the week. In other words, there would not have to be too many inhibitions except that very obviously, vanilla extract and coca cola are not going to be on that list.

The question of auditing the food operator to see whether or not he was indeed limiting the use of these food stamps to the articles listed in the food basket, could conceivably present some difficulty. However, the major problem, as I see it, will be the criteria for licencing the food outlet in order to handle stamps in the first place.

.....2

BOREAL INSTITUTE
LIBRARY

POLAR PAM 795 POLARPAM

Government of the Yukon Territory

BOX 2703, WHITEHORSE, YUKON TELEPHONE 403 667 7811 TELEX 04-08260

F-2

OUR FILE
YOUR FILE

November 13, 1974.

Equalization of the Cost of Food

As per our conversations this morning, on the subject of attempting to put together a formula for the application of the United States food stamp system in such a manner as to equate the cost of basic food stuffs throughout the Territory to the costs in Whitehorse, the following are my ideas as to how this thing conceivably might work at the mechanical level.

The Yukon would be divided off into zones for purposes of an annual review of food costs, at which time areas would be designated as plus or minus Whitehorse in relation to these costs. Let us assume that Whitehorse equals 100 as a constant and that the Dawson area is 30% higher in these basic commodities, so therefore, it would be 130. Any individual, who was in the Dawson area, would be able to purchase $130 worth of food stamps. At this time, the stamps would have the equivalent of money and the bank would have $100 and the Territorial Government would have to allow our account to be debited for the extra $30. The individual, who then would purchase the food from any outfit or any store in the Dawson area that was licensed to redeem these stamps, would simply use them as money in the store; the store operator would bank these stamps in the same manner as he banked money and receive credit for them in the bank in the same manner as he would receive credit for a dollar bill.

We would have to have a fairly liberal food basket list of items because in some of the smaller communities, you don't very often find a complete inventory of groceries available every day of the week. In other words, there would not have to be too many inhibitions except that very obviously, vanilla extract and coca cola are not going to be on that list.

The question of auditing the food operator to see whether or not he was indeed limiting the use of these food stamps to the articles listed in the food basket, could conceivably present some difficulty. However, the major problem, as I see it, will be the criteria for licensing the food outlet in order to handle stamps in the first place.

.....2

Rec'd: Jan. 14 81
Order No.:
Price: Ken-WF
Acc. No.: Indian & Northern Affairs Canada

BOREAL INSTITUTE
LIBRARY
"YUKON - HOME OF THE KLONDIKE"
42345

It would appear to me, at first glance, that the privilege of redeeming these stamps will be so valuable to an operator that he will not permit himself the luxury of abusing the privileges in case his licence is revoked. For example, there would be no point to us giving such a licence to the store at Clinton Creek which is subsidized by the company and in turn, subsidized by the rest of the taxpayers in Canada. The same would apply to the Elsa market. There is absolutely no point at all in us licensing such an outlet in order to redeem food stamps, because we are already subsidizing these people through their loses being deductable as costs of doing business by the United Keno Hill Mining Company.

The whole situation, if it can be put together in a very, very simple and easily-handled manner, has, in my opinion, a tremendous appeal and if this basic simplicity can be maintained to a point of implementation, I am sure that we have the final key here in our struggles of the past seven or eight years to equate the value of a dollar bill throughout the Yukon Territory.

In order that we can really explore this thing, I would like to suggest that, if at all possible, you give this number one priority in your work schedule. If I can be of any further assistance, please let me know.

J. Smith,
Commissioner.

Date Due

42345

42345 Pam:338.585.3:(*430)
SMI1

SMITH, J.
Equalization of the cost of
food

42345 Pam:338.585.3:(*430)
SMI1

SMITH, J.
Equalization of the cost of
food

BOREAL INSTITUTE FOR NORTHERN STUDIES, LIBRARY
THE UNIVERSITY OF ALBERTA
EDMONTON, ALBERTA T6G 2E9
CANADA

University of Alberta Library
0 1620 0328 5127